



**Florida High School Athletic  
Association, Inc. and Affiliates**

**Combined Financial Statements**

**June 30, 2022**

**REPORT**

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
Florida High School Athletic Association, Inc.

### ***Opinion***

We have audited the accompanying combined financial statements of the Florida High School Athletic Association, Inc. (a nonprofit organization) and Affiliates (the "Association"), which comprise the combined statement of financial position as of June 30, 2022, and the related combined statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the combined financial statements.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of the Association as of June 30, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Combined Financial Statements section of our report. We are required to be independent of the Association and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Responsibilities of Management for the Combined Financial Statements***

Management is responsible for the preparation and fair presentation of the combined financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of combined financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Association's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### ***Auditors' Responsibilities for the Audit of the Combined Financial Statements***

Our objectives are to obtain reasonable assurance about whether the combined financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of

internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the combined financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the combined financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the combined financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Association's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

### ***Report on Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The combining statements are presented for purposes of additional analysis and are not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the combined financial statements as a whole.

*Carr, Riggs & Ingram, L.L.C.*

Gainesville, Florida  
December 6, 2022

**Florida High School Athletic Association, Inc. and Affiliates**  
**Combined Statement of Financial Position**

<i>June 30,</i>	2022
<b>Assets</b>	
Current Assets	
Cash	\$ 1,716,137
Accounts receivable, net	483,057
Prepaid expenses	3,881
<hr/>	
Total current assets	2,203,075
Non-current assets	
Investments	5,025,852
Property and equipment, net	1,697,471
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Total non-current assets	6,723,323
<hr/>	
Total assets	\$ 8,926,398
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<b>Liabilities and Net Assets</b>	
Current liabilities	
Accounts payable	\$ 187,976
Accrued payroll and payroll taxes	82,611
Deferred revenue	51,537
Compensated absences, current portion	94,000
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Total current liabilities	416,124
Long-term liabilities	
Compensated absences, net of current portion	256,798
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Total long-term liabilities	256,798
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Total liabilities	672,922
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Net assets without donor restrictions	8,253,476
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Total liabilities and net assets	\$ 8,926,398
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The accompanying notes are an integral part of these financial statements.

**Florida High School Athletic Association, Inc. and Affiliates  
Combined Statement of Activities**

<i>For the year ended June 30,</i>	2022
<b>Revenue and Other Support</b>	
General athletics	\$ 1,266,204
Championships	1,054,586
Member dues	266,887
Investment income and losses and other income	(354,556)
Corporate marketing	3,076,856
Officials programs	419,777
Compliance	341,943
Recognition	7,344
<hr/>	
Total revenue and other support without donor restrictions	6,079,041
<hr/>	
<b>Expenses</b>	
<i>Program Services</i>	
General athletics	1,328,172
Championships	889,112
Compliance	790,772
Communications	913,918
Officials	347,490
Recognition	166,563
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Total program services	4,436,027
 <i>Supporting Services</i>	
Management and general	1,471,875
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Total expenses	5,907,902
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Change in net assets	171,139
 Net assets without donor restrictions at beginning of year	
	8,082,337
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Net assets without donor restrictions at end of year	\$ 8,253,476
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The accompanying notes are an integral part of these financial statements.

## Florida High School Athletic Association, Inc. and Affiliates Combined Statement of Functional Expenses

For the year ended June 30, 2022

	Program Services						Supporting Services		2022 Total
	General Athletics	Championships	Compliance	Communications	Officials	Recognition	Total Program Services	Management and General	
Salaries and wages	\$ 820,024	\$ -	\$ 566,149	\$ 546,998	\$ 154,130	\$ 50,420	\$ 2,137,721	\$ 954,738	\$ 3,092,459
Professional services	110,138	-	133,936	16,751	9,098	1,250	271,173	174,640	445,813
Lobbying	-	-	-	251,281	-	-	251,281	-	251,281
Insurance	2,309	-	1,539	2,694	97,022	-	103,564	186,177	289,741
Transportation and travel	14,676	34,683	12,710	7,768	-	2,034	71,871	61,365	133,236
Infractions	-	-	10,157	-	-	-	10,157	-	10,157
Other committee costs	54,468	-	-	-	1,691	-	56,159	1,095	57,254
Repairs & maintenance	8,702	-	7,030	2,934	838	-	19,504	2,922	22,426
Rentals & leases	-	65,298	-	-	-	-	65,298	-	65,298
Communications	6,583	-	4,560	33,162	4,174	1,322	49,801	13,599	63,400
Utilities	10,341	-	6,894	12,065	3,447	-	32,747	8,618	41,365
Game officiating	-	249,437	-	-	16,855	-	266,292	-	266,292
Office supplies	131,034	112,645	26,290	10,953	4,301	2,494	287,716	32,407	320,123
Event supplies	21,841	16,334	4,161	-	46,553	27,970	116,859	-	116,859
Scholarships and other awards	-	410,715	-	-	865	80,669	492,249	2,705	494,954
Computers and software	-	-	-	-	-	-	-	11,840	11,840
Land improvements	2,490	-	1,660	2,905	830	-	7,885	2,075	9,960
Dues and fees	23,264	-	776	1,358	388	-	25,785	1,338	27,123
Miscellaneous	100,644	-	604	-	29	404	101,681	-	101,681
Training and development	800	-	400	716	317	-	2,233	974	3,207
Depreciation	20,858	-	13,906	24,335	6,953	-	66,051	17,382	83,433
<b>Total</b>	<b>\$ 1,328,172</b>	<b>\$ 889,112</b>	<b>\$ 790,772</b>	<b>\$ 913,918</b>	<b>\$ 347,490</b>	<b>\$ 166,563</b>	<b>\$ 4,436,027</b>	<b>\$ 1,471,875</b>	<b>\$ 5,907,902</b>

The accompanying notes are an integral part of these financial statements.

**Florida High School Athletic Association, Inc. and Affiliates**  
**Combined Statement of Cash Flows**

*For the year ended June 30,*

2022

**Operating Activities**

Change in net assets	\$ 171,139
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:	
Bad debt	(1,208)
Depreciation	83,433
Net gain on investments	472,860
Interest and dividend reinvestments	(80,918)
Changes in operating assets and liabilities	
Accounts receivable, net	85,148
Prepaid expenses	(3,881)
Accounts payable	56,725
Accrued payroll and payroll taxes	11,358
Deferred revenue	28,877
Compensated absences	(52,700)

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Net cash provided (used) by operating activities	770,833
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**Investing Activities**

Cash paid for property and equipment	(38,148)
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Net cash provided (used) by investing activities	(38,148)
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Net change in cash	732,685
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Cash, beginning of year	983,452
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Cash, end of year	\$ 1,716,137
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**Non-Cash Transactions**

Net loss on investments	\$ (472,860)
Interest and dividend reinvestment	\$ (80,918)

The accompanying notes are an integral part of these financial statements.



## **Florida High School Athletic Association, Inc. and Affiliates**

### **Notes to Combined Financial Statements**

#### **NOTE 1: DESCRIPTION OF THE ASSOCIATION**

##### ***Combined Financial Statements***

The financial statements include the combined accounts of Florida High School Athletic Association, Inc., an organization established in 1920, designated as a 501C(3) in 1951 and incorporated as a State of Florida not for profit corporation in 1962; and the Florida High School Athletic Association's Land Corporation, established in 1950, incorporated as a State of Florida not for profit corporation in 1993 and designated by the IRS as a 501C(2) organization, collectively referred to as the "Association." These entities have the same board of directors and are under the operational control of the Executive Director of the Association. The accounts of these organizations have been combined and all interorganization transactions and balances have been eliminated.

##### ***Nature of Activities***

The Association regulates, promotes and administers high school interscholastic athletic competition within the State of Florida for both public and private member schools. The Association conducts interscholastic athletic post season tournaments throughout the state, promotes values of high school curriculums, promotes sportsmanship and safety of participants and provides training of coaches, athletic directors and game officials. In 1976, the Florida Legislature designated the FHSAA, Inc. as the governing non-profit organization of athletics in Florida public schools, a designation that continues today as specified in Florida Statute 1006.20(1). The Association also registers, tests, and certifies high school athletic officials. Athletic program revenue includes a share of the gate receipts from FHSAA State Series post season playoff games and state championship games as well as fees for other sanctioned athletic events that occur pre and post season.

#### **NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### ***Basis of Accounting***

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the Accounting Standards Codification (ASC) and related Accounting Standards Updates (ASUs).

##### ***Use of Estimates***

The preparation of U.S. GAAP financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. There are no estimates that are particularly susceptible to significant change in the near term.

## **Florida High School Athletic Association, Inc. and Affiliates**

### **Notes to Combined Financial Statements**

#### **NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

##### ***Cash***

The Association's cash consists of cash in bank checking accounts. At times, amounts in these accounts exceed FDIC insurance limits.

##### ***Accounts Receivable***

Accounts receivable are stated at unpaid balances, less an allowance for doubtful accounts. The Association provides for losses on accounts receivable using the allowance method. The allowance is based on experience, third-party contracts, and other circumstances, which may affect the ability of members to meet their obligations.

Receivables are considered impaired if full principal payments are not received in accordance with the contractual terms. It is the Association's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected.

##### ***Investments***

The Association reports investments in equity securities with readily determinable fair values and all investments in debt securities at their fair values in the Statement of Financial Position. Unrealized gains and losses are included in the change in net assets in the accompanying Statement of Activities.

##### ***Property and Equipment***

All acquisitions of property and equipment in excess of \$600 and all expenditures for maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Repairs and maintenance are expensed as incurred. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method.

##### ***Net Assets***

All of the Association's net assets are without donor restrictions.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Association, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

## **Florida High School Athletic Association, Inc. and Affiliates**

### **Notes to Combined Financial Statements**

#### **NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

##### ***Revenue Recognition***

General athletics, member dues, investment income and losses, other income, officials programs, compliance, and recognition revenue are recognized when cash, other assets, or notification of a beneficial interest is received. Championships and Corporate Marketing are accounted for under ASC Topic 606, Revenue from Contracts with Customers (ASC 606), recognizing revenue when performance obligations under the terms of the contracts with customers are satisfied.

##### ***Donated Assets***

Donated sports equipment are recorded as contributions at their fair values at the date of donation, and expensed when provided to schools for use in events.

##### ***Functional Allocation of Expenses***

Directly identifiable expenses are charged to programs and supporting services. Expenses related to payroll, payroll taxes, and employee benefits are allocated based on actual percentages of time spent in each functional area. Expenses related to maintenance and upkeep of the entire facility are allocated across functional areas based on estimates of time and effort.

##### ***Income Taxes***

Under Sections 501(c)(2) and 501(c)(3) of the Internal Revenue Code, the Association is exempt from taxes on income other than unrelated business income. In addition, the Association has been classified as an organization that is not a private foundation. In 1996, the Association filed form 5768 making it eligible to make expenditures to influence legislation.

The Association utilizes the accounting requirements associated with uncertainty in income taxes using the provisions of Financial Accounting Standards Board (FASB) ASC 740, Income Taxes. Using that guidance, tax positions initially need to be recognized in the financial statements when it is more-likely-than-not the positions will be sustained upon examination by the tax authorities. It also provides guidance for derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. As of June 30, 2022, the Association has no uncertain tax provisions that qualify for recognition or disclosure in the financial statements.

##### ***Subsequent Events***

Management has evaluated subsequent events through the date that the financial statements were available to be issued, December 6, 2022. No subsequent events were noted that needed to be disclosed. No subsequent events occurring after this date have been evaluated for inclusion in these combined financial statements.

**Florida High School Athletic Association, Inc. and Affiliates**  
**Notes to Combined Financial Statements**

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Recent Accounting Pronouncements***

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842). The guidance in this ASU and its amendments supersedes the leasing guidance in Topic 840, entitled *Leases*. Under the guidance, lessees are required to recognize lease assets and lease liabilities on the statement of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statement of activities. For nonpublic entities, the standard is effective for fiscal years beginning after December 15, 2021. Early adoption is permitted.

In September 2020, the FASB issued ASU 2020-07, *Not-for-Profit Entities* (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets. This change in accounting principal did not have a material impact on the financial statements

**NOTE 3: FINANCIAL ASSET AVAILABILITY AND LIQUIDITY**

The Association maintains its financial assets primarily in cash and investments to provide liquidity to ensure funds are available as the Association’s expenditures come due. The following reflects the Association’s financial assets as of the statement of financial position date, reduced by amounts not available for general use within one year of the statement of financial position date because of contractual restrictions.

The Association is principally supported by dues and fees charged for services it provides.

<i>June 30,</i>	<b>2022</b>
Total assets at year end	\$ 8,926,398
Less non-financial assets	
Property and equipment, net	(1,697,471)
Prepaid expenses	(3,881)
Financial assets available to meet cash needs for general expenditures within one year	\$ 7,225,046

**Florida High School Athletic Association, Inc. and Affiliates**  
**Notes to Combined Financial Statements**

**NOTE 4: ACCOUNTS RECEIVABLE**

Accounts receivable consist of the following:

<i>June 30,</i>	<i>2022</i>
Athletics	\$ 473,688
Interest	30,094
Total accounts receivable	503,782
Less allowance for doubtful accounts	(20,725)
Accounts receivable, net	\$ 483,057

Bad debts expense totaled \$1,208 for 2022.

**NOTE 5: INVESTMENTS**

The investment objectives of the Association are to provide a reserve fund for future long-term uncertainty and to provide current income to smooth income fluctuations from other revenue sources. The Association invests long-term and generally accepts a conservative yield for minimum risk. Investments are generally held to maturity.

Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the value of investment securities will occur in the near term and that such changes could materially affect the Association's financial condition.

Investments are stated at fair value and consist of the following at June 30, 2022:

Cash and money market	\$ 481,928
Fixed Income:	
Mortgage backed securities	11,052
Corporate securities	3,932,807
US treasury securities	105,212
Mutual Funds	494,853
Total investments	\$ 5,025,852

**Florida High School Athletic Association, Inc. and Affiliates**  
**Notes to Combined Financial Statements**

**NOTE 5: INVESTMENTS (CONTINUED)**

Investment income for the year consisted of the following:

Interest and dividend income	\$ 105,256
Net loss	(472,860)
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Net investment income (loss)	\$ (367,604)
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**NOTE 6: PROPERTY AND EQUIPMENT**

Property and equipment - net consists of the following:

	Estimated Useful Lives (in years)		2022
Buildings and improvements	15-40	\$ 2,296,702	
Furniture and equipment	3-5	258,177	
			<hr/> 2,554,879
Less: accumulated depreciation			<hr/> 1,247,437
			<hr/> 390,029
Land			390,029
Property and equipment, net		\$ 1,697,471	
			<hr/> <hr/>

Depreciation expense was \$83,433 for the year ended June 30, 2022.

**NOTE 7: REVENUE**

The Association is recognizing revenue for contracts with customers over time for its corporate marketing and contracts with customers at a point in time for its championships. As of June 30, 2022, all performance obligations had been satisfied for championships and corporate marketing contracts. The performance obligations are based upon timing of events, which take place on an annual basis.

The Association recognizes revenue once the event particular to the contract has taken place.

**Florida High School Athletic Association, Inc. and Affiliates**  
**Notes to Combined Financial Statements**

**NOTE 7: REVENUE (CONTINUED)**

***Disaggregated Revenues***

A summary of disaggregated revenues information follow:

<i>For the year ended June 30,</i>	<i>2022</i>
Contracts with customers	
Recognized over time	\$ 3,076,856
Recognized at a point in time	1,054,586
General athletics, officials programs, compliance, and recognition (non-exchange)	2,035,268
Other income (loss) (non-exchange)	(87,669)
<b>Total revenue</b>	<b>\$ 6,079,041</b>

The Association's customers are primarily schools and high school sports related entities located in the State of Florida. All revenue was earned during 2022.

***Contract Balances***

<i>June 30,</i>	<i>2022</i>
Receivable from contracts, beginning of year	\$ 566,997
Receivable from contracts, end of year	\$ 483,057

**NOTE 8: FAIR VALUE MEASUREMENTS**

Fair value is the exchange price that would be received for an asset or paid to transfer a liability (exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair values:

## Florida High School Athletic Association, Inc. and Affiliates Notes to Combined Financial Statements

### NOTE 8: FAIR VALUE MEASUREMENTS (CONTINUED)

*Level 1:* Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

*Level 2:* Significant other observable inputs other than Level 1 prices, such as:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs, other than quoted prices, that are:
  - observable; or
  - can be corroborated by observable market data.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

*Level 3:* Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2022.

*Cash and money markets* — The fair value of cash and money markets is determined using trade prices in an active market, then uses a discounted cash flow model to determine the price.

*Mortgage backed securities* — The fair value of mortgage backed securities is determined using an active TBA market for mortgage pools, which is the basis for determining many prices, yields, and option-adjusted spreads in the mortgage arena.

*Corporate securities* — The fair value of corporate securities is determined using the discounted cash flow model. The key inputs to the discounted cash flow model are the coupon, yield, expected maturity date, and any applicable options.

*US Treasury securities* — The fair value of US Treasury securities is determined using the yield on the on-the-run treasury that is most similar to the US Treasury being valued. The yield is adjusted for variances in maturity, coupon, and other features. A discounted cash flow model is used to discount the payments using the yield determined for most US Treasury securities.

*Mutual funds* — The fair value of mutual funds is determined using quoted prices in active markets for identical assets accessed at the measurement date. An active market is a principal market in which transactions for the asset are open to many and occur with sufficient frequency and volume.



## Florida High School Athletic Association, Inc. and Affiliates

### Notes to Combined Financial Statements

#### NOTE 8: FAIR VALUE MEASUREMENTS (CONTINUED)

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Association believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in different fair value measurements at the reporting date.

Assets and liabilities measured at fair value on a recurring basis, are summarized for the year ended June 30, 2022:

Description	Level 1	Level 2	Level 3	Total
Cash and money markets	\$ 481,928	\$ -	\$ -	\$ 481,928
Fixed income:				
Mortgage backed securities	-	11,052	-	11,052
Corporate securities	2,816,675	941,332	174,800	3,932,807
US treasury securities	105,212	-	-	105,212
Mutual funds	494,853	-	-	494,853
<b>Total investments at fair value</b>	<b>\$ 3,898,668</b>	<b>\$ 952,384</b>	<b>\$ 174,800</b>	<b>\$ 5,025,852</b>

#### *Changes in Fair Value Levels*

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

Management evaluated the significance of transfer between levels based upon the nature of the financial instrument and size of the transfer relative to total assets. The table below sets forth a summary of changes in the fair value of the Level 3 assets for year ended June 30:

	<u>2022</u>
Balance, beginning of year	\$ 61,400
Realized gains	-
Unrealized gains (losses) related to instruments still held at the reporting date	(25,200)
Purchases	200,000
Sales	<u>(61,400)</u>
Balance, end of year	<u>\$ 174,800</u>

**Florida High School Athletic Association, Inc. and Affiliates**  
**Notes to Combined Financial Statements**

**NOTE 9: CONCENTRATIONS OF CREDIT RISK**

The Association maintains cash with a financial institution in excess of the FDIC limit of \$250,000 by approximately \$1,077,000 at June 30, 2022.

**NOTE 10: DEFINED CONTRIBUTION PLAN**

The Association provides a defined contribution retirement plan for all employees aged 20 and over. Contributions to the plan amounted to \$307,936, 15% of the gross annual wages for the year ended June 30, 2022.

## **Supplementary Information**

## Florida High School Athletic Association, Inc. and Affiliates Combining Statement of Financial Position

Year ended June 30, 2022	Florida High School Athletic Association, Inc.	Land Corporation	Eliminations	Total
<b>Assets</b>				
Current assets				
Cash	\$ 1,623,738	\$ 92,399	\$ -	\$ 1,716,137
Accounts receivable, net	483,057	-	-	483,057
Prepaid expenses	3,881	-	-	3,881
<b>Total current assets</b>	<b>2,110,676</b>	<b>92,399</b>	<b>-</b>	<b>2,203,075</b>
Non-current assets				
Investments	5,025,852	-	-	5,025,852
Property and equipment, net	-	1,697,471	-	1,697,471
<b>Total non-current assets</b>	<b>5,025,852</b>	<b>1,697,471</b>	<b>-</b>	<b>6,723,323</b>
<b>Total assets</b>	<b>\$ 7,136,528</b>	<b>\$ 1,789,870</b>	<b>\$ -</b>	<b>\$ 8,926,398</b>
<b>Liabilities and net assets</b>				
Current liabilities				
Accounts payable	\$ 181,466	\$ 6,510	\$ -	\$ 187,976
Accrued payroll and payroll taxes	82,611	-	-	82,611
Deferred revenue	51,537	-	-	51,537
Compensated absences, current portion	94,000	-	-	94,000
<b>Total current liabilities</b>	<b>409,614</b>	<b>6,510</b>	<b>-</b>	<b>416,124</b>
Long-term liabilities				
Compensated absences, net of current portion	256,798	-	-	256,798
<b>Total long-term liabilities</b>	<b>256,798</b>	<b>-</b>	<b>-</b>	<b>256,798</b>
<b>Total liabilities</b>	<b>666,412</b>	<b>6,510</b>	<b>-</b>	<b>672,922</b>
<b>Net assets without donor restrictions</b>	<b>6,470,116</b>	<b>1,783,360</b>	<b>-</b>	<b>8,253,476</b>
<b>Total liabilities and net assets</b>	<b>\$ 7,136,528</b>	<b>\$ 1,789,870</b>	<b>\$ -</b>	<b>\$ 8,926,398</b>

## Florida High School Athletic Association, Inc. and Affiliates Combining Statement of Activities

Year ended June 30, 2022	Florida High School Athletic Association, Inc.	Land Corporation	Eliminations	Total
<b>Revenue and Other Support</b>				
General athletics	\$ 1,266,204	\$ -	\$ -	\$ 1,266,204
Championships	1,054,586	-	-	1,054,586
Member dues	266,887	-	-	266,887
Investment income and losses and other income	(354,556)	-	-	(354,556)
Corporate marketing	3,076,856	-	-	3,076,856
Officials programs	419,777	-	-	419,777
Compliance	341,943	-	-	341,943
Recognition	7,344	-	-	7,344
Transfer from Association	-	60,000	(60,000)	-
<b>Total revenue and other support without donor restrictions</b>	<b>6,079,041</b>	<b>60,000</b>	<b>(60,000)</b>	<b>6,079,041</b>
<b>Expenses</b>				
<i>Program Services</i>				
General athletics	1,282,979	45,193	-	1,328,172
Championships	889,112	-	-	889,112
Compliance	760,643	30,129	-	790,772
Communications	861,193	52,725	-	913,918
Officials	332,426	15,064	-	347,490
Recognition	166,563	-	-	166,563
<b>Total program services</b>	<b>4,292,916</b>	<b>143,111</b>	<b>-</b>	<b>4,436,027</b>
<i>Supporting Services</i>				
Management and general	1,430,909	40,966	-	1,471,875
Transfer to land corporation	60,000	-	(60,000)	-
<b>Total supporting services</b>	<b>1,490,909</b>	<b>40,966</b>	<b>(60,000)</b>	<b>1,471,875</b>
<b>Total expenses</b>	<b>5,783,825</b>	<b>184,077</b>	<b>(60,000)</b>	<b>5,907,902</b>
Change in net assets	295,216	(124,077)	-	171,139
Net assets without donor restrictions beginning of year	6,174,900	1,907,437	-	8,082,337
<b>Net assets without donor restrictions end of year</b>	<b>\$ 6,470,116</b>	<b>\$ 1,783,360</b>	<b>\$ -</b>	<b>\$ 8,253,476</b>

## Florida High School Athletic Association, Inc. and Affiliates Combining Statement of Functional Expenses

For the year ended June 30, 2022

Florida High School Athletic Association, Inc.										
	General Athletics	Championships	Compliance	Communications	Officials	Recognition	Total Program Services	Management and General	Total FHSAA	
Salaries and wages	\$ 820,024	\$ -	\$ 566,149	\$ 546,998	\$ 154,130	\$ 50,420	\$ 2,137,721	\$ 954,738	\$ 3,092,459	
Professional services	110,138	-	133,936	16,751	9,098	1,250	271,173	171,335	442,508	
Lobbying	-	-	-	251,281	-	-	251,281	-	251,281	
Insurance	-	-	-	-	96,252	-	96,252	184,253	280,505	
Transportation and travel	14,676	34,683	12,710	7,768	-	2,034	71,871	61,365	133,236	
Infractions	-	-	10,157	-	-	-	10,157	-	10,157	
Other committee costs	54,468	-	-	-	1,691	-	56,159	1,095	57,254	
Repairs & maintenance	6,187	-	5,354	-	-	-	11,541	827	12,368	
Rentals & leases	-	65,298	-	-	-	-	65,298	-	65,298	
Communications	6,583	-	4,560	33,162	4,174	1,322	49,801	13,599	63,400	
Utilities	-	-	-	-	-	-	-	-	-	
Game officiating	-	249,437	-	-	16,855	-	266,292	-	266,292	
Office supplies	125,518	112,645	22,612	4,517	2,462	2,494	270,248	27,810	298,058	
Event supplies	21,841	16,334	4,161	-	46,553	27,970	116,859	-	116,859	
Scholarships and other awards	-	410,715	-	-	865	80,669	492,249	2,705	494,954	
Computers and software	-	-	-	-	-	-	-	11,840	11,840	
Land improvements	-	-	-	-	-	-	-	-	-	
Dues and fees	22,100	-	-	-	-	-	22,100	368	22,468	
Miscellaneous	100,644	-	604	-	29	404	101,681	-	101,681	
Training and development	800	-	400	716	317	-	2,233	974	3,207	
Depreciation	-	-	-	-	-	-	-	-	-	
Transfer to land corporation	-	-	-	-	-	-	-	60,000	60,000	
<b>Total</b>	<b>\$ 1,282,979</b>	<b>\$ 889,112</b>	<b>\$ 760,643</b>	<b>\$ 861,193</b>	<b>\$ 332,426</b>	<b>\$ 166,563</b>	<b>\$ 4,292,916</b>	<b>\$ 1,490,909</b>	<b>\$ 5,783,825</b>	

## Florida High School Athletic Association, Inc. and Affiliates Combining Statement of Functional Expenses (Continued)

For the year ended June 30, 2022

	Land Corporation										Eliminations	Total Expenses	
	General Athletics	Championships	Compliance	Communications	Officials	Recognition	Total Program Services	Management and General	Total Land Corp.				
Salaries and wages	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,092,459
Professional services	-	-	-	-	-	-	-	3,305	3,305	-	-	-	445,813
Lobbying	-	-	-	-	-	-	-	-	-	-	-	-	251,281
Insurance	2,309	-	1,539	2,694	770	-	7,312	1,924	9,236	-	-	-	289,741
Transportation and travel	-	-	-	-	-	-	-	-	-	-	-	-	133,236
Infractions	-	-	-	-	-	-	-	-	-	-	-	-	10,157
Other committee costs	-	-	-	-	-	-	-	-	-	-	-	-	57,254
Repairs & maintenance	2,515	-	1,676	2,934	838	-	7,963	2,095	10,058	-	-	-	22,426
Rentals & leases	-	-	-	-	-	-	-	-	-	-	-	-	65,298
Communications	-	-	-	-	-	-	-	-	-	-	-	-	63,400
Utilities	10,341	-	6,894	12,065	3,447	-	32,747	8,618	41,365	-	-	-	41,365
Game officiating	-	-	-	-	-	-	-	-	-	-	-	-	266,292
Office supplies	5,516	-	3,678	6,436	1,839	-	17,468	4,597	22,065	-	-	-	320,123
Event supplies	-	-	-	-	-	-	-	-	-	-	-	-	116,859
Scholarships and other awards	-	-	-	-	-	-	-	-	-	-	-	-	494,954
Computers and software	-	-	-	-	-	-	-	-	-	-	-	-	11,840
Land improvements	2,490	-	1,660	2,905	830	-	7,885	2,075	9,960	-	-	-	9,960
Dues and fees	1,164	-	776	1,358	388	-	3,685	970	4,655	-	-	-	27,123
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-	-	101,681
Training and development	-	-	-	-	-	-	-	-	-	-	-	-	3,207
Depreciation	20,858	-	13,906	24,335	6,953	-	66,051	17,382	83,433	-	-	-	83,433
Transfer to land corporation	-	-	-	-	-	-	-	-	-	-	(60,000)	-	-
<b>Total</b>	<b>\$ 45,193</b>	<b>\$ -</b>	<b>\$ 30,129</b>	<b>\$ 52,725</b>	<b>\$ 15,064</b>	<b>\$ -</b>	<b>\$ 143,111</b>	<b>\$ 40,966</b>	<b>\$ 184,077</b>	<b>\$ (60,000)</b>	<b>\$ -</b>	<b>\$ 5,907,902</b>	

## Florida High School Athletic Association, Inc. and Affiliates Combining Statement of Cash Flows

For the year ended June 30, 2022	Florida High School Athletic Association, Inc.	Land Corporation	Eliminations	Total
<b>Operating Activities</b>				
Change in net assets	\$ 295,216	\$ (124,077)	\$ -	\$ 171,139
Adjustments to reconcile change In net assets to net cash provided (used) by operating activities				
Bad debt	(1,208)	-	-	(1,208)
Depreciation	-	83,433	-	83,433
Net gain on investments	472,860	-	-	472,860
Interest and dividend reinvestment	(80,918)	-	-	(80,918)
Change in operating assets and liabilities				-
Accounts receivable, net	85,148	-	-	85,148
Prepaid expenses	(3,881)	-	-	(3,881)
Accounts payable	50,215	6,510	-	56,725
Accrued payroll and payroll taxes	11,358	-	-	11,358
Deferred revenue	28,877	-	-	28,877
Compensated absences	(52,700)	-	-	(52,700)
<b>Net cash provided (used) by operating activities</b>	<b>804,967</b>	<b>(34,134)</b>	<b>-</b>	<b>770,833</b>
<b>Investing Activities</b>				
Cash paid for property and equipment	-	(38,148)	-	(38,148)
<b>Net cash provided (used) by investing activities</b>	<b>-</b>	<b>(38,148)</b>	<b>-</b>	<b>(38,148)</b>
Net change in cash	804,967	(72,282)	-	732,685
Cash, beginning of year	818,771	164,681	-	983,452
<b>Cash, end of year</b>	<b>\$ 1,623,738</b>	<b>\$ 92,399</b>	<b>\$ -</b>	<b>\$ 1,716,137</b>
<b>Non-Cash Transactions</b>				
Net loss on investments	\$ (472,860)	\$ -	\$ -	\$ (472,860)
Interest and dividend reinvestment	\$ (80,918)	\$ -	\$ -	\$ (80,918)